

**AGREEMENT FOR SERVICES FOR THE BUSINESS INCUBATOR AND
ACCELERATOR**

**CITY OF FLAGSTAFF
and
NORTHERN ARIZONA TECHNOLOGY & BUSINESS INCUBATOR, INC., DBA
NACET**

FIRST AMENDMENT TO AGREEMENT FOR SERVICES

THIS FIRST AMENDMENT TO AGREEMENT FOR SERVICES ("FIRST AMENDMENT") is entered into this ____ day of _____, 2015, by and between the City of Flagstaff (the "City"), a municipal corporation with offices at 211 W. Aspen Avenue, Flagstaff, Coconino County, Arizona, and Northern Arizona Technology & Business Incubator, Inc., dba NACET (the "Provider"), an Arizona corporation, with offices at 2225 North Gemini Drive, Flagstaff, Arizona, 86001, as further set forth below.

RECITALS

A. Landlord and Provider are parties to an Agreement for Services dated February 9, 2015, respecting that building located at 2225 North Gemini Drive in the City of Flagstaff, Arizona, which building is commonly known as the Northern Arizona Technology & Business Incubator, Inc., dba NACET (the "Provider").

B. The Landlord and Provider now desire to amend the Agreement for Services on the terms and conditions contained in this First Amendment.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Agreement for Services as follows:

Section 1. Amendments. The Agreement for Services is hereby amended as follows:

(A) Section 5.2 and 5.3 of the Agreement for Services are hereby amended and replaced in their entirety as follows:

5.2. Insurance. Provider shall procure and maintain, for the duration of the Lease, insurance against claims for injury to persons or damage to property, which may arise from or in connection with this Lease by Provider, Provider's agents, representatives, employees or contractors, and commercial property insurance. The insurance requirements herein are minimum requirements for this Lease and in no way limit the indemnity covenants contained herein. Landlord does not represent or warrant that the minimum limits set forth herein are sufficient to protect Provider from liabilities that might arise out of this Lease, and Provider is free to

purchase such additional insurance as Provider may determine is necessary.

5.2.1. Minimum Scope and Limits of Insurance. Provider shall provide coverage at least as broad and with limits not less than those stated below.

5.2.1.1. Commercial General Liability - Occurrence Form

General Aggregate -- \$2,000,000

Each Occurrence -- \$1,000,000

5.2.1.2. Workers' Compensation and Employer's Liability

Workers' Compensation -- Statutory

Employer's Liability: Each Accident -- \$500,000

Disease - Each Employee -- \$500,000

Disease - Policy Limit -- \$500,000

5.2.2. Self-Insured Retention/Deductibles. Any self-insured retentions and deductibles must be declared to and approved by Landlord.

5.2.3. Umbrella/Excess Liability

Umbrella/Excess Liability insurance with a limit of not less than \$4,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability and Employer's Liability, as required above. Primary per occurrence coverage may be used to fulfill this requirement.

5.2.4. Other Insurance Requirements. The policies shall contain, or be endorsed to contain, the following provisions:

5.2.4.1. Commercial General Liability.

5.2.4.1.1. Insurance coverage, other than Workers' Compensation, shall name the City, its agents, representatives, directors, officials, employees, and officers, as additional insured. Evidence of insurance and formal endorsements to that effect shall be current and on file with the City of Flagstaff. Such endorsement shall include both ongoing and completed operations.

5.2.4.1.2. Coverage provided by Provider shall not be limited to the liability assumed under the indemnification provisions of this Lease.

5.2.4.2. Workers' Compensation and Employee's Liability Coverage. The insurer agrees to waive all rights of subrogation against Landlord, its officials, officers, agents, employees and volunteers for losses arising from Provider's operations, occupancy and use of the Premises subject to this Lease.

5.2.5. Notice of Cancellation. Each insurance policy required by the insurance provisions of this Lease shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to Landlord.

5.2.6. Acceptability of Insurers. Provider shall place insurance hereunder with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-: VII. Landlord does not represent or warrant that the above required minimum insurer rating is sufficient to provide Lessee from potential insurer insolvency.

5.3. Liability Insurance. Provider agrees to procure and maintain at its own cost and expense, during the entire term of this Agreement and any extensions thereof, comprehensive public liability insurance covering the Premises, which insurance shall also name Master Lessor as additional named insureds. The liability coverage under such insurance shall not be less than One Million Dollars (\$1,000,000.00) for injury, illness or death to persons or damage to property in any one incident. Prior to, and as a condition of, taking possession of the Premises, Provider will provide Master Lessor with certificates of such insurance and appropriate endorsements, satisfactory to Master Lessor, evidencing Provider's compliance with the requirements of this **Section 5.3**.

Section 2. No Further Modification. Except as specifically modified and amended pursuant to the terms of this First Amendment, the Lease shall remain in full force and effect, and the terms and conditions thereof are hereby ratified and affirmed by the parties thereto.

Section 3. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 4. Effective Date. This Amendment shall be effective as of the date first written above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have duly executed this First Amendment to Master Lease as of the date first above written.

City of Flagstaff

**Northern Arizona Technology & Business
Incubator, Inc., dba NACET (Provider)**

Gerald Nabours, Mayor

Annette Zinky, President and CEO

Attest:

City Clerk

Approved as to form:

City Attorney

Date of Execution:_____